



# NEWS RELEASE

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## ***SBA ADMINISTRATOR BACKS ASSOCIATION HEALTH PLANS FOR SMALL BUSINESSES***

**WASHINGTON** – Hector V. Barreto, administrator of the U. S. Small Business Administration, today expressed his support for the creation of health insurance pools for small businesses.

At a press conference in Washington, D.C. Barreto said: “The creation of Association Health Plans (AHPs) would mean essential cost savings and increased variety in plan choices for the self-employed and small firms. Most importantly, they would expand access to health insurance to millions of people. AHPs will reduce the number of uninsured Americans.”

Secretary of Labor Elaine L. Chao also participated in today’s press conference in support of AHPs, as well as several members of Congress sponsoring AHP legislation, including Sen. Jim Talent (R-MO), and Reps. John Boehner (R-OH), Ernie Fletcher (R-KY), Sam Johnson (R-TX), Cal Dooley (D-CA), and Nydia Velazquez (D-NY).

Through AHPs, employers could band together across state lines, through trade and professional associations to purchase health insurance, giving participating small employers the same opportunities for providing affordable employee health coverage as larger employers.

Barreto pointed out that “AHPs will improve small business profitability and the ability of small-business owners to compete for the skilled employees they need to be successful.” He added that the creation of AHPs “will also have an enormous impact on the health and peace of mind of the people who keep this country economically vibrant: small-business owners. These are the people who create most of the country’s new jobs, as well as the most innovative products and services.”

Barreto shared his personal experience – as a former business owner and as current head of the SBA – with the difficulty that small-business owners have purchasing health benefits. “In my position, I interact with small-business owners from all over the country. They all inevitably ask me the same thing: what can they do, and what can people in Washington do, to make their health care more affordable? AHPs are a key part of the answer to this serious small-business dilemma.

“President Bush supports the creation of AHPs, and I personally look forward to seeing AHPs become the law of the land. It will mean that I’ll finally have an answer to that question that I’m asked everywhere I go: ‘what can we do about health care?’”

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